



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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Michael O. Leavitt
Governor

Robert L. Morgan
Executive Director

Lowell P. Braxton
Division Director

November 1, 2002

Gregory J. Morical
Assistant General Counsel
Lone Star Industries Inc.
10401 North Meridan Street, Suite 400
Indianapolis, Indiana 46290-1090

Re: Formal Approval of 5-yr Mine Suspension Request, Utah Portland Quarries, Inc./Lone Star Industries, Inc., Little Mountain Quarry, M/045/005 & Quarry Antone, M/045/021, Tooele County, Utah

Dear Mr. Morical:

On March 18, 2002, the Division received a letter from Utah Portland Quarries, Inc. requesting approval of a 5-yr. time extension for continued suspension of mining operations at the Little Mountain and Quarry Antone mines, located in Tooele County, Utah. Subsequent mine inspections were performed of the properties by Division staff to confirm stable onsite conditions. Updated reclamation surety bonds issued by Safeco Insurance Company of America in the amounts of \$69,800 (# - Little Mountain Quarry) and \$49,900 (# - Quarry Antone) have been received and accepted by the Division.

Utah Portland Quarries has provided sufficient justification pursuant to Rule M-7, *Notification of Suspension of Operations*, to satisfy the regulatory requirements and enable the Division to make a positive finding supporting this request. **The Division hereby grants its final approval of your 5-year time extension request allowing these mining operations to remain in temporary suspension.** *This approval will be subject to periodic Division site inspections to confirm regulatory compliance, and the timely filing of annual reports and permit fees for both mining projects.*

Thank you for your assistance and patience in finalizing this permitting action. Please call me if you have any questions regarding this letter.

Sincerely,

D. Wayne Hedberg
Permit Supervisor
Minerals Regulatory Program

jb

Enclosure: Findings Memorandum

cc: Michael Malmquist, Parsons, Behle & Latimer, w/Encl

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TO: Lowell P. Braxton, Director *LPE*

THRU: Mary Ann Wright, Associate Director *MAW*

THRU: D. Wayne Hedberg, Permit Supervisor *DWH*

FROM: Tom Munson, Senior Reclamation Specialist *TM*

RE: Request for 5-yr. Extension to Mine Suspension, Little Mountain Quarry and Quarry Antone Mine, Utah Portland Quarries, Inc. (a wholly owned subsidiary of Lone Star Industries, Inc.), M/045/005 & M/045/021, Tooele County, Utah

The Division has reviewed the requests received from Utah Portland Quarries, Inc.'s for the Little Mountain Quarry and Quarry Antone Mine, located in Tooele County, Utah. The operator is seeking Division approval of a 5-year time extension for continued mine suspension. The operator hopes to reactivate the mines within the next five years, either through a joint mining venture, or the construction of a new cement plant locally. Utah Portland Quarries, Inc. remains interested in reestablishing an active presence in the cement business in Utah and the Intermountain West.

Mine file records reflect that the operator originally notified the Division of temporary mine suspensions in May of 1988. Operations at both mine sites have remained suspended since that date. Pursuant to Minerals Program Administrative Rule R647-1-102.1.11, the new rules do not apply to existing mining and reclamation plans approved prior to the effective date (11/01/88) of these rules, unless modifications to the original plan are made. The Little Mountain Quarry was approved on August 30, 1985 and the Quarry Antone permit was approved on August 27, 1987. No permit modifications have been made to either mine permit prior to the filing of this request. Therefore, the following M-10 administrative rule would apply with regard to continued mine suspension:

Rule M-7 Notification of Suspension of Operations:

- (1) *In the case of a temporary suspension of Mining operations, excluding labor disputes, expected to be in excess of six months, but less than two years duration, the operator shall, within 30 days, notify the Division.*
- (2) *In the case of a termination of mining operations or a suspension of such operations expected to extend for a period of two years, or more, the operator shall furnish the Division with such data as it may require in order to evaluate the status of the mining operation, performance under the*

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Utah Portland Quarries, Inc.
5-Year Extension Request
M/045/005 & M/045/021
November 1, 2002

reclamation plan, and the probable future status of the mineral deposit and condition of the land affected.

- (3) *Upon receipt of notification of termination or extended suspension, the Division shall within 30 days cause inspection to be made of the property and take whatever action may be appropriate in furtherance of the purposes of this act.*

Utah Portland Quarries, Inc. has provided the Division with updated reclamation surety bonds escalated to the year 2007. Revised surety bonds have been issued by Safeco Insurance Company of America, in the amount of \$69,800 for the Little Mountain Quarry and \$49,900 for Quarry Antone. This surety company has an AM Best rating of "A" and is also on the federal register listing of acceptable bonding companies.

The Division has inspected the sites to confirm their environmental stability and is satisfied that the revised surety bonds are adequate to reclaim the sites in their current condition. It is our opinion that the operator has provided sufficient justification to allow both mine sites to remain in continued suspension for another 5 years as requested. This decision promotes future mining activity at both mine sites while protecting the environment at the same time.

Division staff recommend acceptance and approval of the 5-yr time extension request subject to periodic site inspections by the Division and annual report filings that will be used to track the status of these suspended operations and insure that onsite conditions remain in compliance with the Divisions regulatory requirements. If you concur, please acknowledge by initializing this memorandum and the attached draft approval letter.

Thank you for your time and consideration of this request.

jb

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